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AUTHOR: Svein Ottar Olsen.

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The report looks at possibilities and problems for Norwegian export of fish and fish products to South East Asia. We have especially considered the markets in Singapore and Hongkong. After having prepared a description of these markets, we discuss Norwegian export possibilities and strategies for this area. The main conclusion is that both the ability to pay and the desire for special fish products of high quality are considerable. The conditions ought therefore to be favourable for Norwegian export, but this requires courage to go ahead and patience by Norwegian exporters. Competition is strong, and it takes time to establish trust and strength to maintain it.

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1. Introduction

International experts, researchers and business people have in the last few years pointed out that the centre of gravity of the world economy is in the process of moving from west to east. The Asiatic portion of the Pacific region is no longer just Japan but also a number of other states in the process of high economic development. Certain of these are gambling on high technology, capital and knowledge, while others in addition have rich natural resources. Of newly industrialized countries in this area, we would single out Hongkong, Singapore, Malaysia, Taiwan and South Korea.

There is strong interest in establishing industry in these areas. Japan, as expected, is well ahead in the game, but it is also a mystery that the US today has a greater trade with Asia than with Europe (Norges Utenrikshandel Nr.11/83-Norway's Foreign Trade No. 11/83). Norwegian industry has also established itself in the area, and more is on the way.

One of the areas shown great interest by the Norwegian side is Singapore. Today, 50 Norwegian concerns are established in the city, and 500 Norwegians now live there permanently. They have regarded Singapore as a market of opportunity for concerns which wish to establish themselves in the east and are making deliberate use of Singapore as a base for expansion in the neighbouring countries.

In this report we will look at the possibilities and problems involved in increasing the export of Norwegian fish products in this area. In the latter years, Japan has emerged as a main recipient of a few of our fish products - for example

Capelin and Capelin roe (Olsen 1981). In an article in one of our fishery periodicals, Norsk Fiskenæring (Norwegian Fishery Industry), it appears that many of our exporters also consider other areas in the east as potential markets for Norwegian fish products. One of those who were interviewed, Mr. Kåre Ingebriksen, managing director, Norfood Group A/S, was one of many who maintained it was important that we now search for new markets for the considerable quantities of farm-bred salmon which we will produce in the coming years.

In this report we can only consider Singapore and Hongkong. But by this we are not claiming that these are the only interesting areas in the east, apart from Japan. For one thing, we believe that a number of larger cities in the area (Bangkok, Kuala Lumpur, Djakarta and Manila) could pay well for quality fish from Norway. There are several reasons for our choice of Singapore and Hongkong as a starting point.

First of all, these countries are well organized centres for trade and distribution in the whole of South East Asia. In a number of areas they are relatively homogeneous. They are both places where the people from the whole of the east can meet to trade, establish businesses, take part in trade fairs and conferences, as well as eat and have a good time. In other words, the place is excellently suited for making Norwegian fish known, not only in these two places, but also to the importers and consumers in the whole region.

Both countries are large consumers of fish,

and import most of the fish they consume. We also find markets for fish sold at very high price levels, which can be attributed to a relatively rich population. They know how to appreciate food they like and have strict standards when it comes to quality and hygiene.

It is the Chinese who form the largest definite population group in these countries. It is they who are leaders in the political and economic life, and it is no secret that Hongkong, as well as Singapore, aim to be the central connecting link between China and the rest of the world, when China gradually begins to open its borders. Most countries look on China as an enormous market for western technology, capital, knowledge and products.

Hongkong and Singapore are both free trade areas. Generally, there is no duty on refined goods; a fact which makes it possible to export refined fish products at a time when Norwegian fishery business must fight with high duties on such products. As a fishing nation, we ought also to be clear as to the importance a number of authorities in these countries attach to the development of their own fisheries. Here it isn't just a gamble on a fishery for home consumption; many have set as a goal to become significant exporters of fish and fish products. We ought therefore not just to look at the east as a potential market, but also as a future competitor in our traditional markets. I am thinking here of countries such as South Korea, Taiwan, Thailand, China and India. Australia and New Zealand are also strategically positioned in this area. In the report we only consider trade

in fish products. In our opinion, this area also ought to be an important market for the export of technology and knowledge relating to catching, producing and distributing fish and fish products. As one of the leaders in the world in this area, there ought to be great possibilities for Norway to export services in the fishery sector to a number of the countries in the Pacific region.

This undertaking was planned so that we first describe Hongkong and Singapore as fishing nations and consumers of fish. This description will attempt to map the problems and opportunities we face as exporters to these markets. Next, we will discuss the possibilities of Norwegian exports to them. We will also have a brief look at what strategies or courses of action must be tried if we are to achieve success. The data base is founded on a large number of secondary data. In addition, we have made use of information from 10 - 12 interviews which the author held with importers and producers in Hongkong and Singapore during a round trip to the east in the summer of 1983.

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THE MARKET FOR FISH AND FISH PRODUCTS IN HONG KONG AND SINGAPORE

By Svein Ottar Olsen

Page i

PREFACE

There is to-day some evidence which indicates that the economic centre of gravity is in the process of moving from the Atlantic countries toward the Pacific area. This development trend has intensified during the last ten years, which can be explained by the "contagious effect" which Japan has had on many countries in Asia.

Some of the countries in this area are large consumers of fish and fish products. Since a number of sales initiatives involving Norwegian fish products in the Japanese market appear to have been successful, the time is ripe to consider other potential markets in the Far East. The present work is a contribution in that regard. Viewed against the background of the author's experiences during a study tour in Southeast Asia in the summer of 1983, this report considers Norwegian opportunities and problems related to Norwegian exports of fish and fish products to Singapore and Hongkong.

The author wishes to thank all those who have contributed to this report. Special thanks are extended to the institutions which have participated in the financing of the author's study tour, i.e. the Export Council of Norway, the Fisheries Research Council of Norway, the Research Institute of Fisheries Technology and the Export Committee for Fresh Fish.

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Recruitment Fellow (NFFR) (=Fisheries Research Council of Norway)

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Page 1

2. HONG KONG

Hong Kong is a British colony which is located on the southern coast of China. The city consists of approximately 240 islands and covers an area of 1 056 km^2. It is one the most densely populated territories in the world. With a population of over five million, it has a density of 4 750 people per km^2. In addition, it is visited by approximately 2.5 million tourists every year.

The population is very young; in 1979 forty percent of the inhabitants were under twenty years old, with an average age of 20.8 years. Roughly 98% of the residents are Chinese. Chinese (Cantonese) is the everyday language of the greater part of the population. English and Chinese have, however, been given equal status and use in public and business activities.

Hong Kong has one of the world's most modern and finest harbours. Because of its good location and increasingly important commercial centre, the city is visited annually by more than 9 800 ships for bunkering and stopovers. This is equivalent to approximately 27 calls per day. In addition the city is visited by a number of smaller vessels (41 700 in 1979), so that a total of 140 vessels enter and leave the port every day.

Hong Kong has a free market economy. The city is the world's third largest financial centre after New York and London. It is also an important trade centre and manufactures furthermore large quantities of textiles, clothing, electrical articles, toys and watches. As a communication centre Hong Kong is located centrally with an airport which has regular connections world-wide.

2.1. FISHERIES, AQUACULTURE AND PRODUCTION

Hong Kong's fishing fleet consists of approximately 4 800 boats. More than 90% of these are mechanized so that to-day there are fewer than 400 of the traditional sail-equipped junks remaining. All fishing vessels that operate in the waters around Hong Kong must have a licence from the Department of Fisheries.

Page 2

A large part of the deep-sea fishing takes place in international waters. Some of the rich fishing grounds are located inside the Chinese territorial boundaries. If boats from Hong Kong fish in the latter areas, they require a licence from the Chinese authorities. The conditions often involve an obligation that part of the catch, depending on the type and size of vessel, must be landed in Chinese ports.

Hong Kong has approximately 33 000 fishermen (Fishing News International, March 1983), most of whom operate trawling gear (shrimp trawling, pair trawling). Longlines and nets are also used. The landings of fish have increased continuously during the last ten years, from 127 000 tons in 1971

Page 2

to 186 700 tons in 1980. In 1981 a decrease of 6.5% was recorded so that the catches in that year were 174 500 tons. There have been some assertions that an important reason for this trend is the excessive harvesting of some of the central fishing grounds. At the time of the author's visit to the Aberdeen fish market he was informed that the recruitment to the fisheries was low and that the men preferred work ashore. Work on board on the boats was hard, and the profitability has decreased in recent years as a result of higher oil prices and poorer fishing (results).

Cultivation of fish has increased in importance in the area. In spite of the limited land areas at the city's disposal, approximately 7 000 tons of fresh-water and 1 000 tons of sea-farmed fish are produced annually. In 1980 the authorities decided to increase the activities in the field of aquaculture so that 24 new areas were prepared in 1982 for fish farming in sea water. This was done to compensate for an expected decrease in sea fisheries.

Page 3

2.2. IMPORT AND EXPORT OF FISH AND FISH PRODUCTS.

Of the total fish production in 1981, approximately 60 000 tons (33%) of the marine fish products were exported or landed outside Hong Kong; 11 500 (6%) t were ground up, while the remaining 111 000 tons (61%) were consumed domestically. In addition, Hong Kong imported 107 600 tons of fish and fish products, of which 80 000 tons were destined for domestic consumption. This implies a total fish consumption in Hong Kong amounting to approximately 191 000 tons in 1981.

Hong Kong is the world's eighth largest fish importer.

From 1970 to 1982 the import of fish and fish products increased from 61 000 tons to 120 000 tons. In 1981 the import exceeded a value of over two billion NOK, which ranked it in the eighth place among the world's largest fish importers (FAO, 1983).

Fresh water fish, particularly live fish, is the most important merchandise. Most of the latter originates in China. Shellfish and bivalves are the next largest group of merchandise, with shrimp as the most important type, while considerable quantities of abalone, oyster, cuttlefish, octopus and squid are also imported. The import of shrimps was 17 000 tons in 1979; this amounted to a value of 378 000 HKD *) The importers prefer smaller shrimps at low prices, most of them shelled. A sizable part of the shrimp import is reexported, most of them to Japan and the U.S.A.

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*) One HKD was NOK 1.05 in 1983.

Hong Kong imports approximately 5 000 tons of dried and salted fish per annum, most of it from China, Thailand and Bangladesh. A somewhat larger quantity (approximately 5 500 tons) of canned fish is also imported. Shrimps, cuttlefish, squid, bivalves and abalone are here the most important species. An increase in the import of fishmeal was also recorded; this amounted to as much as 10 000 tons in 1980.

Page 4 It will be explained later that Hong Kong is an important market for some luxury or high price products. It is, among others, one of the world's largest importers of shark fins. In 1982 it imported 2 750 tons of shark fins with a value of HKD 245.4 million (Ka-keong, 1983). Altogether 64 countries participated in this import; Japan and Singapore were the largest suppliers.

China is the most important supplier of fish and fish products to Hong Kong and is responsible for 48% of the import in quantity and 34% in value (INFOFISH, 1983). Based on the value of imports, Japan and Taiwan occupy the next places. Approximately 80% of the imports originate from the developing countries in the region.

Because of an expected decrease in production and own landings of fish, it must be assumed that the import requirements will increase to cover the local consumption. Fish is a popular food, and with a growing and increasingly prosperous population it can be expected that the import of marine fish species will increase in the coming years (INFOFISH, 1983). Excessive harvesting of fish resources in the local waters, with consequently higher catch expenses per unit, are also mentioned as an argument for a greater share of imports in the coming years (Agriculture and Fisheries Department, 1982). Even if an increase in fish farming is taken into account, it cannot be expected that this will fully replace the decrease in local fishing and the increase in demand. It was mentioned earlier that the physical areas at the disposal of the colony are very limited.

Export and reexport.

Hong Kong has an export and reexport of altogether approximately 40 000 tons per annum with a largely equal distribution in the two categories. Among local landings shrimps are the most important export item with more than 5 000 tons a year. With regard to reexports, shrimps are also in first place of important products. Other shellfish and bivalves (e.g. cuttlefish and oysters) constitute likewise an important share of the exports. The export of marine fish products is approximately 10 000 tons per annum.

Page 5 Most of the exports are to developed countries inside and outside the Asiatic and Pacific region. Japan and Australia have been the largest markets and received in 1980 65% of Hong Kong's total exports - or 73% if the figures are

based on value. The U.S.A. and Canada are important importers of shrimps and oysters from this market. In 1983 Hong Kong ranked as No.24 among the world's leading exporters of fish and fish products. The total value of exports is calculated to be in excess of one billion NOK.

2.3. MARKET STRUCTURE AND DISTRIBUTION SYSTEM.

Hong Kong is a free trade area, i.e. there are no duties on imports, nor are there any regulations or standards with regard to hygiene or quality of imports or production chain. Merchandise to consumers is inspected. If discrepancies with regard to specifications are here observed, the authorities (Urban Development Council) will block the entire distribution system in respect of this merchandise and prohibit any trade in it.

The Fish Marketing Organization (FMO).

The bulk of fresh and refrigerated merchandise landed in Hong Kong is taken care of by a special marketing organization - the Fish Marketing Organization (FMO). This organization is controlled by the Department of Fisheries of the colony; its main objective is to administer and manage the various fish depots and fish markets throughout the colony. This is done by letting the different fish depots arrange transportation to the nearest fish market and return empty containers to the original point of shipping. At each of the seven markets the fish are sorted, weighed and sold. The selling is carried out by auctioning or by negotiation.

Approximately 2 100 buyers are registered at the official fish markets. Most of
Page 6 them are retailers but some exporters and processors are also registered buyers. The FMO takes care of the economic transactions and the fishermen pay 6% of the sales value in commissions to the organisation. The FMO assists also with financing of fishermen so that the latter can invest in boats and equipment.

The share of fish taken care of by FMO has decreased since the middle of the 1970s. In 1981, 81 000 tons were sold through this organisation, while the equivalent figure for 1976 was 92 000 tons. The sales value in 1981 was HKD 467 millions.

Simple Form of Distribution.

The organisation of the distribution varies with the individual fish species or preserving processes or depends on whether the fish is sold through FMO or imported.
There are a number of firms which import and distribute fish. Most of them operate both as importers and as wholesalers. In addition there are independent wholesalers who trade directly with the FMO. They often have their own refrigerated and frozen storage which is of considerable importance in this market where the climate easily damages fresh, refrigerated or frozen fish. From the importers or

wholesalers, the fresh or refrigerated fish goes directly to retailers or supermarkets. Some larger hotels or hotel chains import directly. Individual households buy most of their fish products on the local markets, and only a small part are sold through the supermarkets.

Generally speaking it can be stated that the distribution chains are direct. From the wholesalers' auctions or live fish wholesalers the fish products go to retailers, dealers or institutional buyers (hotels and restaurants). Throughout the entire distribution net, attempts are made to keep small stocks and to use credits as little as possible. Somewhat differently from a number of countries in Asia, most of the deals are made on a cash basis (Maynard, 1983a). Price investigations show that prices to consumers are often between 100 and 200% above the value charged by the wholesaler.

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For dried fish merchandise, the mode of selling is somewhat special. Only businessmen who have been in this trade for many years usually import dried fish. They often operate their own shops, and they are usually located along Des Veoux Road in the vicinity of the busy trading district Victoria. The 150 shops sell both to individual consumers and to restaurants. It is customary that each importer specializes in a small number of products. The price margins between wholesaler and retailer are often large, sometimes up to 300%. Margins between 50 and 100% are common (Maynard, 1983a).

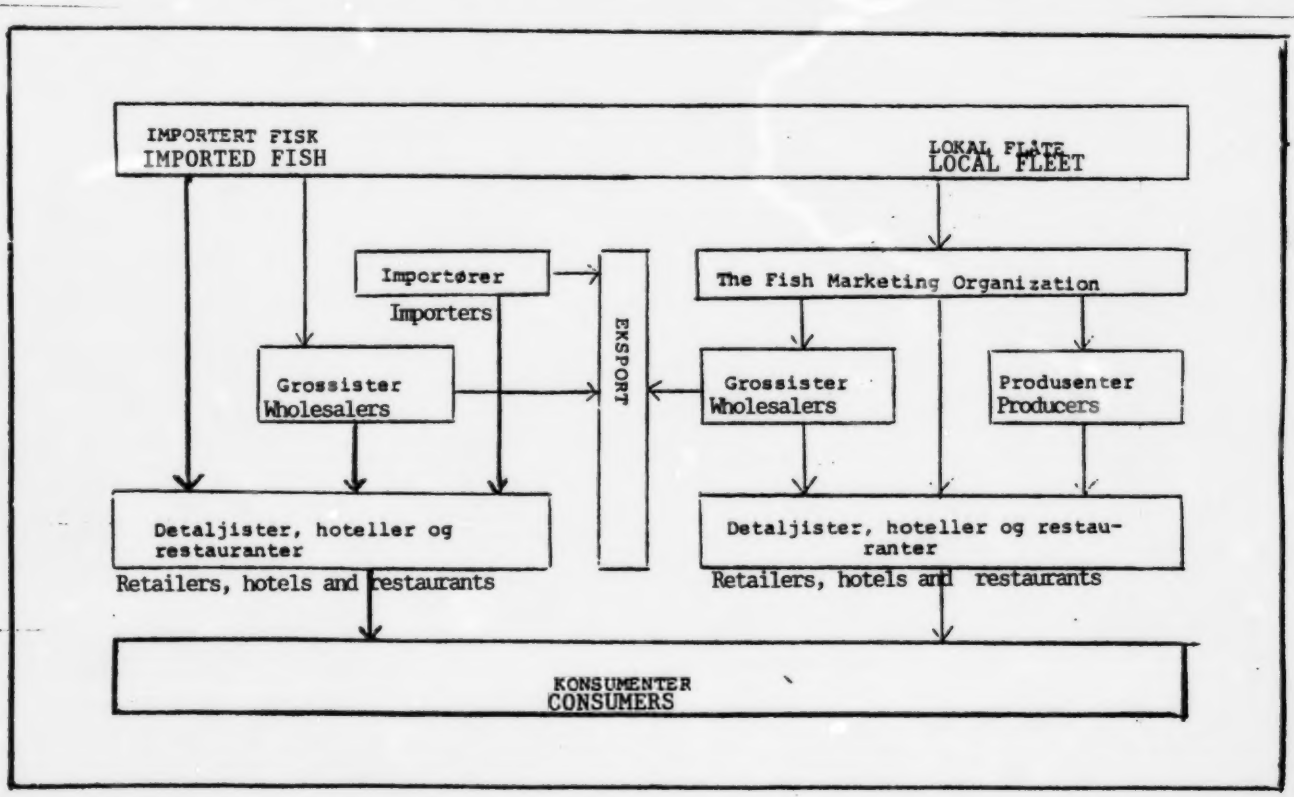

Fig.1. Outlines of the distribution system for fish and fish products in Hong Kong.

Page 8 The figure represents a simple sketch of the distribution system for fish and fish products in Hong Kong. A distinguishing characteristic of the businesses visited by the author was that they were not pure wholesalers or retailers but operated in both functions depending on which merchandise they traded in. It was evident that Chinese businesses do not operate with clear trade distinctions. Each business trades in a number of groups of merchandise, and it does not take long for them to change products and markets. What counts is whether a profit can be made - often in the short term - and that the trading is straightforward and efficient.

2.4. EATING HABITS AND PREFERENCES

In the Asiatic world the Chinese kitchen has the same position as the French kitchen has in the western world. It represents the sum total of knowledge concerning food and the artistic realization of this knowledge . Chinese food excels in its exquisite taste, its richness of colour and its appetizing aroma. This has the result that Chinese dishes range highly throughout the world and are now increasingly popular on the Norwegian dining table.

When Chinese food is discussed in our world, it is usually food from the Cantonese kitchen. This applies also in Hong Kong. Even if it represents the youngest of the Chinese food traditions, it is considered to be the best - also in China (Cheung-Mui, 1976).

A Chinese meal consists usually of a soup and three different dishes. Boiled rice is commonly served with the food. In contrast to European cooking, there are no rigid rules with regard to the sequence of the dishes and their mutual composition. Dishes of meat, fish and eggs are often put on the table at the same time, and everybody helps himself to some of each dish.
In a restaurant the same eating pattern is maintained in that noone orders an individual dish. Instead, several dishes are ordered which are shared by all. The more persons, the more dishes are often consumed.

Page 9 The Chinese family is used to eating two to three hot meals a day. The large selection of dishes contains most vitamins, and vegetables are used in abundance. A normal Chinese meal will always provide a satisfactory basis of nutrition. Much emphasis is placed on a balanced diet. Investigations have shown how Chinese parents assume that British school meals are short in nutritional value and unbalanced, since they contain too much "hot" food (chips, sauce, hamburger and ice cream). To compensate for this, Chinese children often receive a special meal of "cooling" food when they return from school (Carlson and Kipps, 1983).

In this context it can also be mentioned that the Chinese retain their eating habits wherever they may be living. Chinese food is usually cut up in small

pieces before it is served, and it is therefore not so difficult to eat with chopsticks. With regard to fish, many Chinese will prefer fish which can be cooked as a whole. Fish weighing less than ½ kg is desirable. Larger fishes are, however, cut up before cooking.

Fish and shellfish have a central place in the diet of the Hong Kong Chinese. The consumption of fish per person is approximately 50 kg per annum (calculated in raw material equivalents). With this figure they are in the third place after Iceland and Japan. They are also large consumers of meat (72 kg per annum) so that fish and shellfish constitute at least 30% of the total animal protein consumption (FAO, 1982). The figure below shows the consumption of fish in various countries including Hong Kong. The figures are presented in relation to the total consumption of animal protein. The figure indicates that Hong Kong is a large consumer of fish.

Page 10

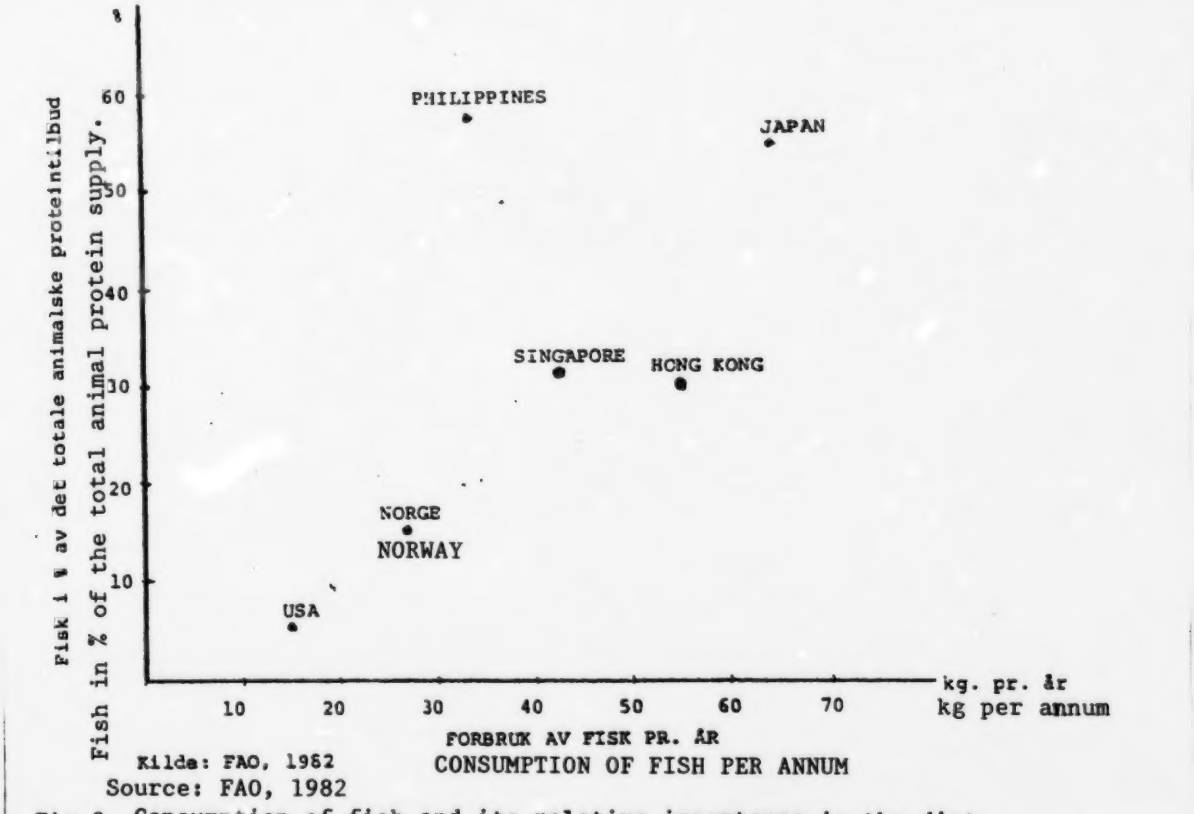

Fig.2. Consumption of fish and its relative importance in the diet.

Of a total annual consumption of 155 000 tons (product weight) in 1980, 53 000 tons were classified as "high-value" fish (Maynard, 1983b). Most of

this tonnage was live fresh-water fish (38 000 tons). Other products used were live marine fish species (2 500 tons) and fresh or refrigerated fish (12 500 tons).

Live fish is preferred to fresh fish. The author learned that as a rule, live fish fetched prices twice as high as fresh or refrigerated fish. The author believes that this is related to the Chinese traditions of strict hygienic requirements. The most reliable guarantee that the food is fresh or not damaged is that it is live. Persons who have travelled widely in China, can report how, for example, a chicken is sold only live so that the consumers need have no doubt as far as the quality is concerned. One of the importers interviewed by the author told how animals were killed during the night, inspected by the food control and sold the same morning or during the day. Meat which was one day old was sold at a reduced price. The Chinese also believe that frozen or processed food merchandise is less nutritious than fresh food.

Page 11 In Hong Kong most of the live fish is used in the hotel and restaurant sector. In a number of restaurants large tanks can be seen where the fish is kept and where the guests can themselves select the fish they wish to eat for dinner. In such instances the price of the dish is based on the weight of the selected fish.

Live fish from the sea is usually much more expensive than live fresh-water fish. Prices at the wholesaler's level may exceed NOK 200 per kg. In the case of some quality fish, the profit margin is also high so that a menu price of USD 100 per kg of e.g. red grouper is not uncommon (Maynard, 1983b). The price of the most expensive fish products varies often with the economic conditions, climate, festival periods and weddings.

In favourable economic periods the Chinese business people celebrate with large and expensive dinner parties. Normally there are seasonable variations for high-value fish, with a peak reached during the Chinese New Year celebrations in February. During the monsoon period, production of marine fish species is lower than usual, so that from June until October (southwest monsoon) and in December-January (northeast monsoon) high prices can be expected. Also during wedding celebrations from August until October, fish in the high price categories is eaten. During periods with rain or otherwise poor weather, fewer people eat out, so that the weather appears to play an important part as far as the restaurant trade is concerned.

Fresh fish is preferred to frozen fish, which is reflected in the price. Importers interviewed by the author felt that they were willing to pay twice as much for fresh products as for frozen fish of the same species. Among the

most popular fish species in the higher price class, groupers in all forms (live, fresh or frozen) can be mentioned. Red snapper, sea bream, pomfret and gingko may also be mentioned. It was earlier stated that Hong Kong imports shark fins for approximately NOK 250 million per annum at an average price per kg of approximately NOK 90 (Ka-Keong, 1983).

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Dried, salted or smoked fish is also an important product used in Hong Kong. The consumption is 3.8 kg per annum (dry weight) and is larger than in all other countries in South East Asia with the exception of the Philippines. In 1980 approximately 20 000 tons of dried/salted fish with a value of USD 104 millions at the wholesale level were consumed in Hong Kong (Maynard 1983a). The retail price varies from USD 3.75 to USD 4.75 per kg. The most expensive product is dried abalone. The price for dried shrimps varied from 5 to 37 USD per kg (April 1982) while the price for dried squid was between USD 6 and 12 per kg at the retail level. More than half of the latter product was imported from Canada. Quality is more important than price in this market, and the retailers do their best to make products of dried fish as attractive as possible. According to Maynard (1983a) there is always a lack of more exotic, dried fish products of squid, cuttlefish, bêche-de-mer, scallops, oysters and abalone in Southeast Asia.

It has been stated that fresh-water fish is generally more in demand than salt-water fish in the colony. Some species of live fish seem to be an exception. The authorities have, however, taken several initiatives to make salt-water fish more popular. Importers contacted by the author maintain that any form of fresh or refrigerated fish has an opportunity in Hong Kong. Price is, however, a factor which must be taken into account even if quality is given much emphasis.

Frozen fish is largely imported for reexport. Most of this usage goes to institutions which use the frozen fish when the supply of fresh products is low. Frozen filets are largely imported for domestic consumption. Work is in progress to increase the consumption of frozen merchandise. The use of frozen shrimps is extensive in hotels and restaurants. In recent years individual households have also bought frozen shrimps, but this consumption continues to be low in relation to the restaurant market.

Hong Kong produces and imports also canned fish. According to market reports read by the author, it was apparent that canned products are of increasing interest in the market. It was stated that Norwegian canned goods (e.g. mackerel fillets in tomato sauce) were one of the canned products fetching the highest prices in the market. In 1979 Norway exported, for example,

24 tons of canned fish products to Hong Kong.

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3. SINGAPORE

Singapore, with its location at the southern tip of the Malaysian peninsula, is a small country of only 618 km^2. With a population of 2.5 millions, it has a population density of approximately 4 000 inhabitants per km^2. In addition there is a considerable influx of tourists and workers from Malaysia. This traffic grew from one to two millions during the period 1973-1978.

Singapore's population consists of three of the world's principal races, i.e. Chinese (76%), Malays (15%) and Indians (7%). The country has four official languages: Malay, English, Tamil and Mandarin. Malay is considered the every-day language, while English is considered the business and administration language.

Like Hong Kong, Singapore follows a policy of free market economy without import and export restrictions. The political authorities go deliberately in for changing from a labour-intensive industrial production to an industry and service production based on capital, technology and a highly qualified labour force. Because of its excellent location and good port conditions, Singapore is one of the busiest ports in the world. The city is regularly visited by 130 ships per day.

3.1. FISHING AND FISH PRODUCTION

In recent years between 15 000 and 18 000 tons of fish raw material have been landed annually in Singapore. Most of these catches come from sea fishing in the South China Sea and parts of the Indian Ocean. Trawling and longline are the common fishing methods in these grounds. In the local waters around the island there is also fishing on a smaller scale with fish pots and nets from smaller, often non-mechanized, boats. In 1980 the city had approximately 2 000 registered fishermen. As in Hong Kong, the

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author learned that recruitment to the fisheries was low, which should indicate an increasing requirement for imported fish merchandise in the coming years.

Most of the fish is landed in the fishing port in Jurong which is also the district where most of the fish plants are located. The area consists of a production, a distribution and a market complex which includes a central market, approximately 15 fish processing plants, and ice and cold storage. At the time of the author's visit in this area, he also called on the largest manufacturing plant in Southeast Asia, Marissco. This plant is a cooperative project (joint venture) of the Soviet Union and Singapore. It buys catches from vessels of other countries such as Thailand,

Taiwan and the Soviet Union.

3.2. IMPORT AND EXPORT OF FISH AND FISH PRODUCTS

With a domestic production of more than 15 000 tons per annum, a growing consumption of fish must be covered by increasing imports. From 1978 to 1981 imports increased from 151 000 tons to 168 000 tons. In the last year 72 000 tons were reexported. From this it can be concluded that Singapore is an important broker in fish and fish products.

A fish import of NOK one billion per annum

According to FAO's fisheries statistics, Singapore ranged as No 16 among the world's leading importers of fish and fish products. In 1981 the import value was USD 162 000 or in excess of NOK one billion.

Frozen tuna was traditionally an important import merchandise with 13 600 tons in 1980. A subsequent crisis in the tuna market has resulted in a situation where Singapore importers are looking for other fish species, which the author was able
Page 15 to confirm through his contacts. The market for fresh and refrigerated fish is of great importance. Malaysia is the largest supplier of this product, followed by the Soviet Union and Thailand. The market for frozen fish has shown a decreasing trend, which is confirmed by the fact that the import of frozen fish in 1979 was only 33% of what it was in 1977 (INFOFISH, 1983). The total import of fresh, refrigerated and frozen salt-water fish was 44 700 tons in 1980 (tuna and shellfish are here excluded). Grouper, mackerel, gold banded scad, threadfin, dorab (wolf herring) and pomfret are the most popular fish species.

Shrimp (prawns & shrimps) import is on the increase; in 1981 it amounted to approximately 4 000 tons. More than 75% were imported in fresh or refrigerated condition. Most of this tonnage was in the form of smaller shrimp sold at a low price. The remainder of the import consisted of larger shrimp in a frozen condition for which a higher price was paid. In recent years there has been an increasing demand for frozen shrimp (INFOFISH, 1983). Almost all shrimp import originates from other countries in Asia, and Malaysia is the largest supplier.

Considerable quantities of dried, salted and smoked fish products are imported. A large portion of this is reexported. Shark fins and oysters are here the most important import merchandise with an import value of approximately SD 17.5 millions (1 Singapore dollar [SD] was equivalent to NOK 3.50 in 1983) in each of the groups in 1980. These are followed by oysters (?) and salt-water fish with an import value of more than SD 11 millions. If adjustments are made for reexport of dried, salted or smoked fish products, it will be found that mostly dried anchovy (517 tons) and squid (385 tons) are consumed [Maynard, 1983]. (Translator's note: The author equates here akkar [squid] with cuttlefish).

Singapore is a central importer of fishmeal. In 1980 the country imported 55 000 tons with a value of SD 48.8 millions. The fishmeal helps to increase the country's meat production. Meal with a protein content of more than 60% is preferred and fetches higher prices. Thailand is the most important supplier, with 38 000 tons.

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The import of canned fish products amounted to 15 000 tons at a value of SD 42 millions in 1980. Canned sardines in tomato sauce were imported for SD 16 millions (7 000 tons), where Japan, Malaysia, Thailand and Norway were the most important exporters. The import of canned mackerel has decreased from 25 000 tons in 1975 to 6 000 tons in 1980. Most of it originates in Japan.

Singapore as a transit port for fish and fish products.

The export of fish and fish products from Singapore increased from 30 800 tons in 1975 to 71 500 tons in 1981. In the last year, the export value was USD 134.8 millions or NOK 870 millions (approximately). The largest increase took place in the categories of fresh and frozen fish, where quantities rose by a factor of six from 1975 to 1980.

Fresh and frozen fish including frozen tuna were the largest group of merchandise in 1980, amounting to 37 000 tons and a value of SD 96 millions. The principal importer was Japan, followed by Malaysia and Australia. The export of fresh and frozen cuttlefish was 8 300 tons with a value of SD 23.2 millions in that year.

The export of canned fish products in 1980 amounted to 7 600 tons with a value of SD 24 millions. The export value for shrimps was somewhat higher in that year, amounting to SD 25.6 millions (2 700 tons). Dried, salted or smoked fish was exported in quantities amounting to 4 400 tons with a value of SD 7.8 millions. The export of shellfish and all bivalves was approximately SD 30 millions.

Japan is the most important market for fish and fish products from Singapore, with a share of 25% of the exports (INFOFISH), 1983). Hong Kong and Malaysia receive approximately 6% each, while Australia received 4%.

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3.3 DISTRIBUTION

The wholesaler's market in Jurong receives approximately 90% of the fresh fish and fish products landed in Singapore. In this market, which remains open from 02.00 hrs to 07.00 hrs in the morning, buyers and sellers meet to conclude their agreements. There is no formal auction, and the buyers walk through the market area and make offers to various agents concerning the desired quantity and fish species. After conclusion of the purchase the fish is delivered to the buyer's vehicle. Most buyers in this market have the status of a wholesaler (Maynard, 1983b), but it must be assumed that represent-

atives from the various production plants are also present. There are also agents of the largest hotels, restaurants and retailers. As a general rule it can be stated, that the distribution is very direct also in Singapore so that there are usually only two links between the supplier and the consumer , i.e., the wholesaler and the retailer.

Approximately 80% of the Jurong market for fine fish is supplied by truck or boat from Malaysia. A significant portion originates also in Thailand. There is also a group of dealers who receive iced fish from Sabah, Sarawak and neighbouring areas in Indonesia and Malaysia. This fish is not traded through the wholesalers' market. These dealers, who are also importers of frozen fish products, make sales agreements with hotels, restaurants , supermarkets and other retailers. In addition there are manufacturing plants which import directly from foreign vessels fishing in international waters.

The retail market in Singapore consists of a number of fishmongers in the city's public markets. They cover the supply for most of the local population. The city has also a number of supermarkets which sell all types of fish and fish products, though mostly in the higher price categories.

The profit margin for the various links in the distribution of fish are considered good (Maynard, 1983b). It is quite common that fish doubles in price between the suppliers at the Jurong market and the consumers.

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3.4. EATING HABITS AND PREFERENCES.

According to the sources used by the author, the import and export figures vary somewhat. This is partly explained by the fact that some sources use product weight while others have converted to raw material or round weight. Information has, however, been received that fish consumption in Singapore is approximately 42 kg (raw material weight) per inhabitant per annum (see fig. 2). This agrees with the sources which list a consumption of between 100 000 and 110 000 tons per annum.

Approximately 14 000 tons of this fish that passes through the Jurong market, can be classified as "high-value" fish (Maynard, 1983b). In many ways the preferences are the same as in Hong Kong. Among fish species fetching high prices, grouper, pomfret, treadfin, Spanish mackerel, rabbit fish, snapper and dorab (wolf herring) are mentioned. Wholesale prices for live fish amount to as much as NOK 240 per kg, while the price for fresh merchandise is often half that of live products. The retail price for a number of the finest fish merchandises is between 30 and 70 NOK in fresh condition.

It was mentioned earlier that most of the inhabitants of Singapore are Chinese.

They have retained their eating habits, which are therefore not significantly different from those described for Hong Kong. They eat frequently out and have clear preferences for fresh merchandise. Chinese people interviewed by the author had traditionally poor experiences with frozen fish, which is easily understandable in view of the quality of much of the fish which is frozen and exported by countries in the area (e.g. India and Bangladesh). The author therefore believes that it will take time to gain the consumers' confidence in frozen fish merchandise. There is also a feeling that frozen fish does not have the same nutritional value and is not as healthy as fresh fish.

The Chinese people like to poach fish to emphasize the taste. The author was thus warned against introducing excessively fat fish in these markets. Fat fish smells strongly and is quickly damaged, it was claimed. One of the importers interviewed by the author thus felt that lean fish, or fat fish landed during the summer, fitted best into their eating pattern.

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Some dried fish is also consumed in Singapore. The most popular items are dried shark fins, fishmaws and Bêche-de-mer. It is the older part of the population which prefers dried fish.

In Singapore the author's attention was also drawn to the buying habits of the Chinese. It was strongly emphasized that the Chinese prefer to select the merchandise themselves; they like to feel and smell it if necessary. The visual impression means a lot, so that any initiatives with e.g. roe (spawn) must take into consideration that packaging should be used which makes it possible to see the product (e.g. glass). In other words, strong demands are made on quality, which some exporters to these markets had to learn. Indian exporters have at times been on the black list in these markets. If attempts are made to sell damaged merchandise, the rumours spread quickly, and it must not be expected that further progress can be made in that market.

The prices vary usually between 20 and 30 % in the various seasons. The supply is smallest during the northeast monsoon from November to February; it is largest from March until June. Apart from climatic causes, the prices vary according to the same pattern as in Hong Kong, as far as the Chinese New Year (February) and wedding seasons (August to October) are concerned. During the New Year festivities the selling price for e.g. rabbit fish may increase from NOK 10.00 to NOK 60.00 per kg. During the wedding season the price for grouper may rise to four times the regular selling price so that prices have increased to NOK 600 per kg in periods of scarcity (Maynard, 1983b).

The Chinese New Year is the season for major festivities for the ethnic Chinese population in Singapore. It is the time when even a modest family will not let the price determine what they buy. High-class fish is the common menu

at wedding dinners.

The demand for traditional fish is greatest in December and January. October and November are considered poor months for retailers of traditional fish.

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4. NORWEGIAN EXPORTS AND EXPORT OPPORTUNITIES.

In recent years the growth in terms of real economics has been approximately 10% in both Hong Kong and Singapore. While the rate of inflation has been very low in Singapore (5.8% per annum during the period 1977-82), it has been considerably higher in Hong Kong; particularly after 1979 it has reached double digit figures. In 1981 and 1982 the inflation in Hong Kong was approximately 15% per annum, but it was considerably lower in 1983 (8-9%). The 1981 gross national product per inhabitant was USD 5 240 in Singapore and somewhat lower in Hong Kong. Even if this is only half of the figure for Japan, this ratio is considerably higher than, or in line with, some of Norway's traditional fish markets (e.g. Nigeria, Portugal and Brazil).

Norway's trade with the two countries is somewhat different. While Norway sells considerably more than it buys from Singapore, it has a negative balance of payment with Hong Kong. According to the Central Bureau of Statistics' 1982 foreign trade information, Norway exported merchandise for 745 million kroner to Singapore while its import from that country was only NOK 116 millions. These figures vary from year to year; 1982 was the best year, based on value. In that year (1982) Norway's import from Hong Kong was NOK 477 millions as against an export to that country amounting to NOK 190 millions (see appendix 3).

From 1979 to 1981 Norway's export of fish and fish products to Hong Kong increased from NOK 0.7 millions to NOK 10.1 millions. During the same period Norway's export of fish to Singapore varied between NOK 1.5 and 3 millions. In other words, both countries are insignificant markets for Norway's fish products.

In April 1983 SAS arranged in cooperation with the Hilton Hotel a sort of Swedish week in Singapore and Kuala Lumpur. The objective of this arrangement was to prepare a framework around a delegation of Swedish firms which wished to establish themselves in the East. During these negotiations representatives from the East were served Nordic food prepared by three Swedish chefs. Fish, shellfish and roe products from Nordic waters were found to be the most popular dishes. The representative of the Export Council in Kuala Lumpur felt that good Norwegian fish products had promising opportunities in Southeast Asia if prices are competitive. In the following a brief assessment will be made of the ex-

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port opportunities for various fish species from Norwegian waters.

1. Salmon.

A small number of Norwegian firms are known to have supplied salmon to this area

in recent years. Fresh salmon is shipped by air in consignments of 300-500 kg. According to information received from SAS it is now feasible to deliver these items in good condition. Importers interviewed by the author had various views with regard to the opportunities for salmon in these markets. Canadian salmon was introduced in these areas long ago without any particular success, it was stated. It is, however, known that this salmon does not have the same properties as the Norwegian product, and many had poor experiences with the quality of Canadian fish.

The author feels that it is worth an attempt to introduce smaller salmon or trout for Chinese consumers. Norwegian fish farmers must to-day kill considerable quantities of smaller salmon which become early sexually mature or which have poor growth properties.In Norway's regular markets this means often reduced prices since larger salmon are traditionally fetching higher prices than smaller salmon. It was mentioned earlier that the Chinese value small fish which can be cooked in one piece. It is therefore realistic to assume that the Chinese will pay good prices for smaller salmon and trout.

The fresh salmon exported from Norway goes directly to hotels and restaurants in the respective cities. The author feels that the opportunities are great particularly in this market. There are 50 large hotels in Singapore and about the same number in Hong Kong. New ones continue to be built, and a number of restaurants have fish at the top of the menu.

The catering chains are another potential group of customers.- Considerable quantities of fish products are consumed on board ships which bunker in these ports. There are furthermore a number of drilling platforms/rigs which ought to be good customers for fish and shellfish in this price class.

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There is no doubt that smoked salmon and trout are products which are appreciated in the East. Everybody who had tasted smoked salmon recommended it as an excellent product but felt that the price was too high for the ordinary consumer. Norwegian smoked salmon cost more than NOK 200 per kg at a supermarket in Singapore. There ought to be an information campaign for single households dealing with the use of smoked salmon. The Chinese are not traditionally major consumers of smoked fish in the form in which salmon is commonly served.

2. Shrimps

A number of the shrimp variants fished and consumed in the East are quite different from the European ones. There are, however, also warm water shrimps which resemble the European cold water shrimps in many respects. Shrimp is a very popular product and is eaten on a large scale in many different ways (in soups, as fish balls, together with other products, such as dried

products etc.). It is considered to be one of the products fetching good prices and it is preferred live or fresh. In recent years large amounts of frozen shrimps have been served by hotels and restaurants among others. Most shrimps in the area are sold at lower prices than what is the case in Europe. The author believes, however, that it should be possible to find niches in this market, particularly for shrimps with shells and for delicatessen products. The Chinese prefer shrimps with shells because the shell provides the special taste which they like in some soups. Chinese consumers will not accept tasteless shrimps. The shrimps are consumed without a lot of dressing and seasoning such as is the case in the U.S.A. and Great Britain. People from the East, who have tasted sea-water cooked Norwegian shrimps, complain that they are too salty. It is therefore important that detailed investigations are made with regard to size and salt content desirable for cooked shrimp . With a view to giving the reader an idea of the prices which the consumers are willing to pay for fresh or refrigerated shrimps, it can be mentioned that large fresh shrimps were sold in a Singapore supermarket for NOK 140 per kg. The same applies to the price of fresh tuna. The price of fresh small shrimps was NOK 35 per kg at the same counter.

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3. Squid (Cephalopoda spp.)

While squid are mostly used for bait in Norway, they are considered excellent merchandise for human consumption in Southeast Asia. Fresh merchandise is again preferred to frozen products, but a lot of dried squid is also consumed. Producers and importers with whom the author was in contact showed much interest in Norwegian squid. Some asserted that it was too large and did not have a perfect consistency. If it were possible to catch squid at an earlier stage, i.e. as smaller squid, the chance of success in these markets would be considerably greater. They prefer the squid white , and the importers showed much interest in technology related to the cleaning of squid. In view of Norwegian know-how and climatic advantages in the field of dried fish, it might be appropriate to experiment with dried squid. The author found these products everywhere in the area.

One of the most popular cephalopods in the area was cuttlefish which is considerably smaller than the Norwegian one. There are usually six to ten per kilogram, while the Norwegian cuttlefish weighs approximately one kg. The price of cuttlefish is approximately 30% higher than the Norwegian equivalent in the world markets. A wholesale price of approx. USD 1.30 per kg, in frozen blocks, was quite common.

A contributing reason for a growing demand for cuttlefish was the strong interest in "cuttlefish-balls", i.e. fishballs made from squid. Approximately three years ago two businessmen from Taiwan introduced fish balls made from squid in the East, and it was an enormous success. According to conversations which the author had with importers and manufacturers in Singapore, these two innovators became millionaires already the year after the product was first introduced. Fish balls made with various fish species are very popular in Chinese soups. A visit to one of Singapore's largest supermarkets confirmed that the retail price for cuttlefish balls was SD 3.25 per 300 g. This is equivalent to a price per kg of approximately NOK 40. As a comparison it can be mentioned that ordinary cooked fish cakes cost approximately NOK 20 per kg while meat balls or chicken balls cost NOK 64 and 56 respectively per kg.

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It is an interesting question to what extent it is possible to manufacture fish balls with Norwegian squid. Experts contacted by the author in Singapore felt that if this was not possible, they could well imagine squid as a raw material supplementing cuttlefish. Taking into account that Norwegian squid is a cheaper raw material, it would be possible to reduce the costs of raw materials in the final product. Therefore it ought to be an assignment for Norwegian research to evaluate the binding properties of squid and to examine its possibilities as raw material in fish balls, possibly together with other raw materials.

4. Roe.

The author was particularly interested in evaluating the possibilities for roe and caviar products. It was found that roe was not a traditional product in that part of the East. In this respect these countries appeared to be quite different from Japan where roe products of all kinds are consumed. One explanation for the fact that roe was not a success was that the locals were used to roe from fresh-water fish (Hong Kong) or that the roe in most of their salt-water fish did not have the correct properties. Some felt that roe or caviar had certain possibilities. Recently it was found that in one of the businesses where the author discussed the possibilities of roe or caviar, "caviar - bottled for the gourmet" was advertised (Infofish Marketing Digest No 5/83).

It was recommended that such products be sold in packages allowing the consumers to see the merchandise (glass or transparent plastic). In view of the habits of the population with regard to salt and degree of smoking, it can not be taken for granted that they will prefer the same sensory properties as the Norwegians do. The tastes are different, and there is a need for market tests which will make it possible to develop the correct products. Consideration should

also be given to fitting roe and caviar into their eating patterns in the best way. Information on how Norwegians and others consume roe and caviar should be part of the marketing.

Page 25 The population in Singapore and Hong Kong, in spite of traditions relating to eating habits, is considered to be open to new products. This can be confirmed by, among others, the success of fast-food restaurants in these cities.

5. Other fish products.

Norway has exported canned fish products and fishmeal to these areas for some length of time. The author believes that there are also possibilities for export of fish fillets. Cod and haddock have a colour and taste which fit into the local taste preferences. The author does, however, not believe that saithe (pollack) is a good product to promote. It is known that halibut and other flatfish are well liked in Chinese circles. There are some local fish which resemble Norway's redfish in form and size. If they are competitive in price, the author believes that redfish can readily be sold in this area. Some of the importers interviewed by the author showed also some interest in crab and lobster. In other words, there are a number of possibilities for Norwegian fish in Southeast Asia. During the author's tour of the area it was surprising to observe the success of e.g Denmark with regard to the export of food. Danish meat, cheese, cakes and other sweet foods are seen everywhere. Danish fish products were observed in several forms in the supermarkets.

4.1 MARKET AND DISTRIBUTION STRATEGIES

The import of foodstuffs to Singapore and Hong Kong is large. It is greatest from countries in the region, but recently the western countries have also recognized the possibilities in these areas. The import of foodstuffs from the U.S.A. rose, for example, from SD 180 millions in 1979 to SD 540 millions in 1981. The latter amount is equivalent to approximately NOK 2 billions at to-day's rate of exchange. The Danish export to these regions was mentioned earlier, but products from a number of western countries were observed.

Page 26 The demands facing exporters who wish to compete in these markets, are not very simple. The hard competition from a number of countries and the Chinese mentality make it necessary to work hard to obtain a footing and to maintain contacts. It takes time to build up confidence in business ventures in this region. Norwegian exporters who have gained success with fish products maintain that progress is being made, but slowly. The fact that Chinese firms easily adjust to changing products and markets means that all suppliers are faced with a demand for continuous activity.
There are undoubtedly a number of methods for gaining access to these markets.

Experience has shown that an approach organized on a larger scale by several firms which operate jointly and bring along "a door-opener" and put up a coordinated arrangement where interested businesses are invited, constitutes an effective strategy. These arrangements should be well prepared by the individual producers and exporters. It is important that clear and concrete offers are made, including presentations showing that these can be implemented satisfactorily.

The choice of the form of distribution will depend on a number of circumstances. If this can be arranged, it is best to have one's own representatives in the various markets. Taking, however, into account that it costs generally NOK 700 000 to have a Norwegian representative in Singapore, it is obvious that this is realistic only in instances where the contracts are large and long-term. There are, however, opportunities for a number of Norwegian businesses to share an office in these areas (e.g. joint ventures).

The most natural distribution pattern for export of Norwegian fish is to establish contact with an importer, wholesaler or retailer in Singapore or Kong Kong. Restaurants, hotels or catering chains (large-scale households) are considered obvious targets for Norwegian products. Direct contact with these has been found to be a satisfactory arrangement for Norwegian exporters who have attempted to enter these markets in recent years.

Page 27 Frozen products are shipped on refrigerated vessels. Because of the strong preferences for fresh merchandise shown by consumers in these regions, which is also reflected in the price, air freight is very frequently used. SAS CARGO offers good connections to the Far East. They operate a service with departures from Copenhagen to Bangkok and Singapore three times a week with good connections to Hong-Kong, Kuala Lumpur, Jakarta etc. Gross freight from Oslo, Bergen and Stavanger is NOK 13.30 per kg for shipments over 500 kg. For shipments of 100 to 500 kg the freight is NOK 15.90 to Singapore and NOK 14.50 per kg to Hong Kong.

Examples of what should not be done may be worth mentioning. In a report issued by Indian authorities (MPDA, 1983) it was pointed out why India was blacklisted at times as far as exports of fish to Singapore and Hong Kong are concerned.

Several examples were mentioned where Indian exporters knowingly tried to deceive importers in the region by, among other things, placing fine fish on top of the consignments while bad or spoilt fish was at the bottom. It also came to light that merchandise samples and the first shipments were of satisfactory quality while already the third consignment caused the importers heavy losses due to spoilt products.

It also became apparent that complaints were not acted on, that delivery times were not complied with and that the exporters had little knowledge of how fish ought to be processed for this market.

A small handicap imposed on the development is the future situation in Hong Kong. There are only 14 years left until the British colonial agreement expires; to-day the future of the colony is somewhat uncertain. This has, among other things, resulted in a very low exchange rate of the Hong Kong dollar which was recently 40% lower in relation to the US dollar than only a year ago. Many believe that this is only a temporary phenomenon and that the prospects for HongKong are great (Fortune, 31 October 1983).

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5. CONCLUSION

There are signs in the international economy indicating that the centre of gravity of the world economy is about to move from west to east. Such a turn will also have consequences for the Norwegian fisheries industry, not only because new markets will open up but also because some countries in the region around the Pacific Ocean could become important competitors in Norway's traditional fish markets.

The present work deals with two central regions in Southeast Asia, i.e., Singapore and Hong Kong. The author has attempted to describe them with a view to charting opportunities and problems to be expected if Norway's export of fish and fish products to these two regions are to be increased.

The reasons why these two markets were selected are several. Both Singapore and Hong Kong have a population that eats a lot of fish, and the regions are large net importers of fish and fish products. These are also the areas which have the largest growth in Asia, and they consume fish and other foods in a price class which should make Norwegian fish competitive.

These countries are also central communication centres in the East, and the locations are considered the most strategic areas (in attempts) to make Norwegian fish products known over a larger territory. It is also taken into consideration that Singapore and Hong Kong are aiming to be links between China and the rest of the world when China opens its borders to new technology, capital, knowledge and products.

Domestic fish production is on the decline in both cities, and the need for imports to satisfy an increasing consumption is growing. The Chinese eat out frequently, and the stream of tourists to these cities is large. For this reason it is believed that "megahouseholds" such as hotels and restaurants are target groups of interest to Norwegian exporters.

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Fresh merchandise is preferred, and it has been documented that the ability and will to pay are strong in the special fish products trade. Conditions should therefore be favourable for Norwegian exports of fresh and smoked salmon. The opportumities for shrimp, roe and squid were also assessed.

Shrimps and squid are fish species which are known to consumers in these countries. The import of frozen shrimps to these markets is growing. It could be of interest to Norway to introduce cold water shrimps in the shell. The demand for small cuttlefish is great, but the possibilities for Norwegian squid are as yet unknown. If solutions could be found which would make it possible to catch smaller sizes of squid , it is believed that there would also be opportunities for this species, which is a cheap raw material and might appeal to a fairly large part of the population in large areas of Asia, also in dried condition.

Hong Kong and Singapore are both free-trade areas, and there is no duty on imports of fish and fish products. In times when Norwegian fish export must cope with high duties on processed merchandise it is felt that delicatessen products of Norwegian fish should be competitive in these two cities. Visits to supermarkets showed that, among others, Denmark was already well established in this market.

There are several ways to look at these markets. It is a large leap from viewing them as small niches for well paid delicatessen products to seeing them as larger markets for cheap raw materials which have so far had limited applications (such as squid). Regardless of which view is chosen, it is believed to be important to show go-ahead spirit and patience when establishing a business in the Southeast Asian markets. The competition is already severe, and it takes time to establish the trust and the forces to maintain it.

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Page 32 **APPENDIX**

1. Import and export of fish and fish products to Hong Kong (1982)
2. Import of fish to Singapore during the period 1977-1982
3. Norway's trade with Singapore and Hong Kong 1978-1982
4. Register of Import Regulations for Fish and Fishery Products

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VEDLEGG 1.. Import og eksport av fisk og fiskeprodukter til Hong Kong 1982 (tonn).

APPENDIX 1. Import and export of fish and fish products to Hong Kong 1982 (tons)

	Jan-Dec 1982		
	Imports	Re-Exports	Exports
Fresh chilled*	45 307	674	4 765
Frozen fish	10 609	3 887	4 010
Fish fillets fresh, chilled	-	-	-
Fish fillets frozen	1 199	170	[illegible]
Fish salted and/or dried	6 648	3 129	17[illegible]
Beche-de-mer	1 124	872	[illegible]
Sharkfins	2 746	356	5[illegible]
Crustaceans, molluscs, fresh, chilled, frozen	28 666	8 983	9 488
Cuttlefish and squid, fresh, chilled, frozen	5 900	325	864
Crustaceans, molluscs, dried salted	5 489	585	43[illegible]
Cuttlefish and squid	3 284	721	13[illegible]
Prepared (incl. canned)	4 528	1 713	18[illegible]
Abalone, canned	1 158	202	-
Grand total (all products)	119 992	21 524	19 721

Kilde: Infofish Trade News, No: 11/83
Source:

VEDLEGG 2. Import av fisk til Singapore.

APPENDIX 2. Import of fish to Singapore

Q: Quantity MT
V: Value in S$ '000

Item		1977	1978	1979	1980
1. Marine products fresh, frozen or chilled. Prawns, shrimps	Q:	3 611	4 101	3 509	3 261
	V:	6 868	11 598	10 114	8 056
Crustaceans, excl. prawns	Q:	404	263	498	465
	V:	2 749	815	6 267	6 318
Tuna	Q:	1 654	6 395	6 507	13 652
	V:	3 247	17 058	18 907	55 154
Marine fish, excl. tuna	Q:	49 846	43 801	42 630	44 698
	V:	38 764	36 124	28 600	33 278
Freshwater fish	Q:	174	193	296	335
	V:	1 111	994	2 122	2 578
Molluscs, excl. oysters	Q:	14 040	14 028	26 956	27 929
	V:	9 803	6 972	6 999	7 470
Sub-total	Q:	69 729	68 781	80 396	90 340
	V:	62 542	73 561	73 009	107 852
2. Crustaceans, salted, dried, boiled	Q:	344	241	309	172
	V:	1 371	1 334	1 172	582
3. Oysters, fresh, chilled salted, dried or boiled	Q:	330	292	356	477
	V:	2 147	2 635	4 689	5 369
4. Molluscs, excl. oysters salted, dried or boiled	Q:	1 377	1 232	*	1 380
	V:	11 173	12 694	*	17 405
5. Marine fish, salted or dried	Q:	4 035	3 683	2 297	2 408
	V:	8 087	4 904	4 123	5 906
6. Other freshwater fish, dried, salted	Q:	153	367	201	377
	V:	737	3 068	2 236	3 893
7. Sharkfins, dried or salted	Q:	1 078	1 000	939	822
	V:	17 064	19 653	18 673	17 528
8. Fish maws	Q:	93	96	146	97
	V:	1 924	2 512	1 804	2 671
9. Beche-de-mer	Q:	428	670	639	467
	V:	2 957	3 797	4 985	4 890
10. Canned fish items	Q:	17 704	17 013	12 315	15 218
	V:	41 224	36 484	30 088	42 072
11. Fishmeal, solubles & similar animal feeding stuffs of aquatic origin, incl. prawn dust	Q:	46 976	52 332	60 063	54 588
	V:	35 857	40 600	43 239	48 786
12. Fish oilds and fats	Q:	295	949	203	206
	V:	436	752	541	561
13. Miscellaenous items	Q:	3 560	3 967	4 581	4 020
	V:	32 977	34 954	64 742	67 864
TOTAL	Q:	146 102	150 623	169 317	180 472
	V:	218 496	236 948	253 911	325 380

*Included in miscellaneous items.
Kilde: Infofish.
Source:

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APPENDIX 3. Norway's trade with Singapore and Hong Kong (millions NOK)

Singapore

	1978	1979	1980	1981	1982
Export from Norway	275.3	527.6	179.0	379.6	744.6
Import to Norway	101.2	288.8	146.0	106.0	116.0
Balance	174.1	238.8	33.0	273.6	628.6

Hong Kong

	1978	1979	1980	1981	1982
Export from Norway	109.0	86.8	76.0	232.8	289.6
Import to Norway	290.8	286.5	354.0	404.6	476.7
Balance	-181.8	-199.7	-278.0	-171.8	-287.1

FAO / NORWAY COOPERATIVE PROGRAMME

REGISTER OF IMPORT REGULATIONS FOR FISH AND FISHERY PRODUCTS

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RAPPORT

RAPPORTNUMMER

TILGJENGELIGHET
Apen

RAPPORTENS TITTEL	DATO
MARKEDET FOR FISK OG FISKEPRODUKTER I HONG KONG OG SINGAPORE	5. april 1984
	ANTALL SIDER OG BILAG
SAKSBEHANDLER / FORF Svein Ottar Olsen	ANSV. SIGN. Sign. Olsen
SEKSJON Økonomi	PROSJEKTNUMMER

OPPDRAGSGIVER	OPPDR.GIVERS REF.

EKSTRAKT

Rapporten ser på muligheter og problemer for norsk eksport av fisk og fiskeprodukter til Sør-Øst Asia. Vi har spesielt tatt for oss markedene i Singapore og Hong Kong. Etter å ha foretatt en beskrivelse av disse markedene, drøfter vi norske eksportmuligheter og strategier for dette området. Hovedkonklusjonen er at betalingsevnen og viljen er stor for spesielle fiskeprodukter av høy kvalitet. Forholdene burde derfor ligge til rette for norsk eksport, men at dette fordrer pågangsmot og tålmodighet av norske eksportører. Konkurransen er hard, og det tar tid til å etablere tillit og krefter til å holde den ved like.

3 ST'KKORD

Markedsundersøkelse
Fiskeprodukter
Singapore
Hong Kong

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1. INNLEDNING

Internasjonale eksperter, forskere og forretningsfolk har de senere år påpekt at tyngdepunktet i verdensøkonomien er i ferd med å flytte seg fra vest til øst. Den asiatiske delen av Stillehavsregionen er ikke lenger bare Japan, men også en rekke andre stater som er i en sterk industriell utvikling. Enkelte av disse satser på høy teknologi, kapital og kunnskap, mens andre i tillegg har rike naturressurser. Av nye industrialiserte land i dette området vil vi trekke frem Hong Kong, Singapore, Malaysia, Taiwan og Sør-Korea.

Interessen for industrietableringer i disse områdene er stor. Japan står som ventet langt frem i sporet, men det er også et tankekors at USA i dag har større handel med Asia enn med Europa (Norges Utenrikshandel, nr 11/83). Norske industri har også etablert seg i området, og flere er på veg.

Av de områder som er vist stor interesse fra norsk side er Singapore. I dag er 50 norske bedrifter etablert i byen og 500 nordmenn er fast bosatt på stedet. De har sett Singapore som mulighetenes marked for bedrifter som vil etablere seg i Østen og de benytter bevisst Singapore som base for ekspansjon i de nærliggende land.

Vi vil i dette arbeidet se på muligheter og problemer med å øke eksporten av norske fiskeprodukter til dette området. De senere år har Japan vokst frem som en sentral mottaker for enkelte av våre fiskeprodukter - f eks lodde og lodderogn (Olsen, 1981). I en artikkel i en av våre fiskeritidsskrifter,' Norsk Fiskerinæring', går det frem at flere av våre eksportører også anser andre områder i Østen som mulige markeder for norske fiskeprodukter. En av de som var intervjuet, Disponent Kåre Ingebriksen, Norfood Group A/S, var en av flere som hevdet at det var viktig at vi nå ser oss om etter nye markeder for de betydelige mengder av oppdrettslaks vi vil produsere de kommende år.

I denne rapporten vil vi kun ta for oss Singapore og Hong Kong. Med dette vil vi ikke hevde at disse er de eneste interessante

områdene i Østen ved siden av Japan. Vi tror bl a at en rekke større byer i området (Bangkok, Kuala Lumpur, Djakarta og Manila) vil kunne betale godt for kvalitetsfisk fra Norge. Når vi har valgt å ta utgangspunkt i Singapore og Hong Kong, har det flere årsaker.

For det første er disse landene velorganiserte sentra for handel og distribusjon i hele Sør-Øst Asia. På en rekke områder er de relativt homogene. De er begge steder hvor folk fra hele Østen møtes for å handle, etablere forretninger, delta på messer og konferanser samt spise og hygge seg. Stedet egner seg med andre ord utmerket til å gjøre norsk fisk kjent, ikke bare på disse to stedene, men også for importører og forbrukere i hele området.

Begge landene er store forbrukere av fisk og importerer det meste av den fisk de forbruker. Vi finner også her markeder for fisk i meget høye prisklasser, noe som kommer av at disse landene har en relativt rike befolkning. De vet å verdsette mat de liker og som holder mål når det gjelder kvalitet og hygiene.

Det er kinesere som utgør de desidert største folkegruppene i disse landene. Det er de som driver det politiske og økonomiske liv, og det er ikke til å stikke under en stol at såvel Hong Kong som Singapore har mål av seg til å være de sentrale bindeledd mellom Kina og resten av verden når Kina etter hvert åpner sine grenser. De fleste land ser på Kina som et enormt marked for vestlig teknologi, kapital, kunnskap og produkter.

Hong Kong og Singapore er begge frihandelsområder. Generelt finnes det ingen toll på foredlede varer, noe som gjør det mulig å eksportere foredlede fiskeprodukter i tider hvor norsk fiskerinæring ellers må sloss med høy toll på slike varer.

Som fiskerinasjon bør vi også være klar over den betydning en rekke av myndighetene i disse landene legger opp til når det gjelder å utvikle egne fiskerier. Her satses det ikke bare på fiske til eget forbruk, men mange har satt som mål å bli betydelige eksportører av fisk og

fiskeprodukter. Vi bør derfor ikke bare se på Østen som et potensiellt marked, men også som en fremtidig konkurrent på våre tradisjonelle markeder. Jeg tenker her på land som Sør Korea, Taiwan, Thailand, Kina og India. Australia og New Zealand ligger også strategisk til i dette området. Vi vil i denne rapporten kun ta for oss bytte av fiskeprodukter. Etter vår mening bør dette området også være et betydelig marked for eksport av teknologi og kunnskap om fangst, produksjon og distribusjon av fisk og fiskeprodukter. Som en av de fremste i verden på dette området, bør mulighetene være store for at Norge kan eksportere tjenester i fiskerisektoren til en rekke av landene i Stillehavsregionen.

Dette arbeidet er lagt opp ved at vi først beskriver Hong Kong og Singapore som fiskerinasjoner og forbrukere av fisk. Denne beskrivelsen vil være med å kartlegge hvilke problemer og muligheter vi som eksportør til disse markedene står ovenfor. Dernest vil vi drøfte norske eksportmuligheter til disse markedene. Vi vil også kort se på hvilke mulige strategier eller fremgangsmåter en bør satse på dersom en skal ha muligheter til å lykkes i disse markedene. Datagrunnlaget er basert på en god del sekundærdata. I tillegg har vi benyttet informasjon fra 10-12 intervjuer som forfatteren gjorde med importører og produsenter i Hong Kong og Singapore under en rundreise i Østen sommeren 1983.